IN THE HIGH COURT OF JUDICATURE, ANDHRA PRADESH
AT HYDERABAD

(Special Original Jurisdiction)

TUESDAY, THE NINETEENTH DAY OF APRIL
TWO THOUSAND AND FIVE

PRESENT

THE HON'BLE MS JUSTICE G.ROHINI

WRIT PETITION NO : 8551 of 2005

Between:

M/s. Mohan Construction, rep by Managing Partner, A. Mohan Reddy S/o Venku Reddy, R/o H. No. 8-3-678, Pragathi nagar, Yousufguda, Hyderabad

... PETITIONER

AND

1 The Chief Administrative Officer, Construction, South Central Railway, Secunderabad
2 The Chief General Manager, Construction, South Central Railway, Head Quarters,
Works Branch, Secunderabad
3 The Deputy Chief Engineer (Constructions) Railway Station Premises, Khazipet

...RESPONDENTS

Petition under Article 226 of the constitution of India praying that in the circumstances stated in the Affidavit filed herein the High Court may be pleased to issue a writ of Mandamus or any other appropriate Writ, order or direction, declaring the action of the respondents in withholding seignorage charges on the ordinary earth pursuant to letter No. W.44/B Vol.Iv dt 25-6-2004 from the bills payable in respect of contract Agreement No. 10/CAO/C/SC/2003, dt 18-12-2003 entered with the respondents as illegal and arbitrary and without validity of law and consequently direct the respondents not to recover or without validity of law and consequently direct the respondents not to recovery or withhold seignorage charge from the bills payable to me and also to refund the amount deducted from the running bills.

Counsel for the Petitioner: MR.N.SUBBA RAO

Counsel for the Respondents: MR. C.V. RAJEEVA REDDY

The Court at the stage of admission made the following:

ORDER:

It is represented by the learned Counsel for the petitioner and Sri C.V.Rajeeva Reddy, learned counsel appearing for the respondents that the question involved in this writ petition is squarely covered by the decision rendered by this Court in W.P.No.21401 of 2004 and batch, dated 23-03-2005, wherein it has been held as under :

> *"In the light of the decision taken by the respondents under the letter dated 15-12-2004, I am of the view that the seigniorage charges on "ordinary earth" in respect of the works entrusted to the petitioners under the respective agreements cannot be recovered. Accordingly, the Writ Petitions are disposed of directing the respondents not to withhold any seigniorage charges on ordinary earth from the on account and final bills of the petitioners in respect of the works entrusted to them under the Agreements in question. However, if the amounts are already deducted, it is for the petitioners to work out the appropriate remedy for refund of the same. It is also made clear that this shall not preclude the State Government to recover the seigniorage charges directly from the petitioners, in case any such decision is taken, following due process of law.*
>
> *All the Writ Petitions are accordingly disposed of. No costs."*

The writ petition is accordingly disposed of in terms of the above order dated 23-03-2005 in W.P.No.21401 of 2004 and batch.

The Writ Petition is accordingly disposed of. No order as to costs.

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G. ROHINI, J

Dated: 19-04-2005

LSK

To

1 The Chief Administrative Officer, Construction, South Central Railway, Secunderabad
2 The Chief General Manager, Construction, South Central Railway, Head Quarters, Works Branch, Secunderabad
3 The Deputy Chief Engineer (Constructions) Railway Station Premises, Khazipet

4 Two C.D. copies.